

Washington State Department of Agriculture

News Release

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WASHINGTON STATE DEPARTMENT OF AGRICULTURE P.O. Box 42560, Olympia, Washington 98504-2560

Hop growers seek special assessment to reduce acreage, fund set-aside program

OLYMPIA – Some hop growers want to establish a special assessment to raise \$2 million that would be used to pay producers to remove up to 6,500 acres from production this year. Their goal is to bring hop supplies into alignment with lower demand in an oversupplied world market. The state Department of Agriculture is holding a hearing on the proposal to create the set-aside program and the special assessment at 10 a.m., April 9 at the Yakima Masonic Center, 504 N. Naches Ave, Yakima.

A group of growers petitioned the Washington Hop Commission to put a set-aside program in place. Under the proposal, the commission would pay growers to set aside existing hop acreage this year. The program would be financed by a one-year special assessment that would bring in 5 cents per pound, or \$10 per 200-pound bale of hops. This would be in addition to the current \$2.50 per bale assessment used to carry out the Hop Commission's programs for research, grower education and market promotion that support the state's hop industry.

Participation in the set-aside program would be voluntary. The Hop Commission would use the special assessment funds to pay producers about \$300 per acre to set aside or remove acreage from production this crop year.

Some 60 Washington growers in Yakima and Benton counties dominate the hop market with more than 75 percent of U.S. production. Hop acreage and farmgate values dipped last year to some 26,000 acres valued at \$92.9 million, down from nearly 27,000 acres and \$95.1 million in 2000. Growers are working with the U.S. Department of Agriculture to re-establish a federal marketing order that could include limits on hop production to maintain stable prices.

To put the set-aside program and special assessment in place requires the approval of the affected growers by referendum vote. A decision on whether to conduct a referendum will be made by May 30 based on public comments and testimony received by the department. If held, the referendum would be conducted in June. Written testimony on the proposal must be received by April 9 and may be sent to Debbie Anderson, Commodity Commission Coordinator, Washington State Department of Agriculture, P.O. Box 42560, Olympia, WA 98504-2560. Comments may also be sent via fax to (360) 902-2092 or by e-mail to wsdarulescomments@agr.wa.gov.

Note to editors: More information on the hearing and state hop marketing order is available at www.wa.gov/agr/hops.